

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

DOCKET NOS. 2005-224-C and 1999-515-C - ORDER NO. 2006-662

NOVEMBER 3, 2006

IN RE: Docket No. 2005-224-C – Petition of the)	ORDER REINSTATING
Office of Regulatory Staff for the)	CERTIFICATE
Commission to Order a Rule to Show Cause)	
as to Why the Certificates of Public)	
Convenience and Necessity for Certain)	
Providers of Telecommunications Services)	
Should Not Be Revoked.)	
)	
and)	
)	
Docket No. 1999-515-C – Application of)	
Flatel, Inc. d/b/a Telephone USA (fka: d/b/a)	
Florida Telephone Company) for a Certificate)	
of Public Convenience and Necessity for)	
Authority to Provide Local Exchange Service.)	

This matter comes before the Public Service Commission of South Carolina (the “Commission”) on the request of Flatel, Inc. d/b/a Telephone USA (fka: d/b/a Florida Telephone Company) (“Flatel” or the “Company”) to reinstate the Company’s Certificate of Public Convenience and Necessity. The Certificate was revoked by this Commission in Order No. 2006-55 issued in Docket No. 2005-24-C on January 26, 2006. The Company attached several documents to its request in support of its position.

The Office of Regulatory Staff (“ORS”) filed a reply to the request. ORS believes that Flatel has continued to operate as a telephone utility in South Carolina subsequent to the Commission’s revocation of its Certificate on January 26, 2006 until the present time.

ORS takes the position that Flatel's request for reinstatement should be granted on a conditional and temporary basis for a period of thirty (30) days. During that time, ORS believes that Flatel should provide to it data, records, and information to clarify its annual gross receipts earned in South Carolina for the years 2004 and 2005, file USF worksheets for the same two years to determine if Flatel owes any unpaid contributions to the South Carolina USF, and, if so, to make such contributions, require Flatel to appoint a registered agent for service in South Carolina, and take several other steps towards coming into compliance with Commission rules and regulations.

We have considered this matter and hold that the Certificate of Public Convenience and Necessity revoked by this Commission in Order No. 2006-55 shall be reinstated. However, the Company is required to file certain information and take certain actions within thirty (30) days of its receipt of this Order:

(1) Flatel must provide to the ORS data, records, and information to clarify its annual gross receipts earned in South Carolina for the years 2004 and 2005;

(2) Flatel must file Universal Service Fund worksheets with the ORS for the years 2004 and 2005 to determine if the Company owes any unpaid contributions to the South Carolina USF and, if so, to make such contributions;

(3) Flatel must appoint a registered agent for service in the State of South Carolina and perform all other actions required to bring the company into good standing with the South Carolina Secretary of State's Office as a foreign corporation authorized to do business in the State of South Carolina;

(4) Flatel must immediately cease and desist from soliciting or acquiring any additional customers in South Carolina pending a final disposition of this matter to resolve the status of Flatel's certification from the Commission to operate as a telephone utility in South Carolina;

(5) Flatel must remit to the State of South Carolina and the ORS any assessment of monies determined by the ORS to be past due by Flatel for gross receipts earned in South Carolina during 2004 and 2005, such amount as to be determined by the

ORS and carried forward for payment with Flatel's 2006 assessment in accordance with Proviso 1B, Sec. 42A.3 of the South Carolina FY 2006-2007 Budget (Bill H. 4810).

(6) Flatel should also notify the ORS and the Commission immediately of any additional future changes in the address of the Company's principal place of business.

At the end of thirty days after the Company's receipt of this Order, the ORS shall report back to the Commission with regard to the Company's compliance with Commission rules and regulations and the requests made by the ORS as stated in this Order. At that time, this Commission will make a decision as to whether to revoke the Company's Certificate, to allow the Certificate to remain in full force and effect, or to take such other necessary action as this Commission may deem appropriate.

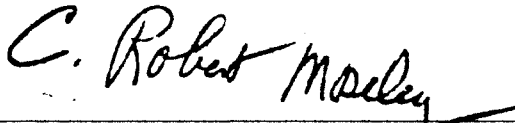
This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:



G. O'Neal Hamilton, Chairman

ATTEST:



C. Robert Moseley, Vice Chairman

(SEAL)